

**DIRECT TESTIMONY OF
BOB KHAN**

**ILLINOIS COMMERCE COMMISSION
DOCKET NO. 03-0362**

ILLINOIS
COMMERCE COMMISSION

2003 MAY 30 P 2: 25

CHIEF CLERK'S OFFICE

- 1 **Q.** Please state your name, business address, telephone, and e-mail address for the record.
- 2 **A.** My name is Bob Khan. My business address is Illinois-American Water Company, 1000
- 3 Internationale Parkway, Woodridge, Illinois 60517. My telephone number is 630-739-8825;
- 4 and my e-mail address is bkhan@illinoisamerican .com.
- 5 **Q.** What is your present position with Illinois-American Water Company ("Company" or "Illinois-
- 6 American")?
- 7 **A.** I am the Manager of Engineering for the Chicago-Metro Division of Illinois-American Water.
- 8 **Q.** How long have you been associated with Illinois-American Water Company?
- 9 **A.** Since January 15, 2002.
- 10 **Q.** Please give a summary of your work experience.
- 11 **A.** Prior to becoming employed by Illinois-American, I worked for twelve years for Citizens
- 12 Utilities Company of Illinois ("Citizens"). I was the Director of Engineering for Citizens; and
- 13 prior to that; I was the Manager of Plant Engineering for Citizens.
- 14 **Q.** Please discuss your educational and business background.
- 15 **A.** I earned a Bachelor of Science degree in civil engineering from Texas A & M University in
- 16 1984 and a Masters Degree in environmental engineering from the Illinois Institute of
- 17 Technology in 1990. I am a registered professional engineer in the State of Illinois.
- 18 **Q.** Are you a member of any professional organizations?
- 19 **A.** Yes. I am a member of the American Water Works Association, Water Environmental
- 20 Federation, the American Society of Civil Engineers, and a member of the Design-Build
- 21 Institute.
- 22 **Q.** What is the area served by Illinois-American?

1 A. Illinois-American has four divisions. The Southern Division serves the cities of Alton, Granite
2 City, East St. Louis, Belleville, and Cairo and their environs. The Northern Division serves
3 Pekin, Peoria, Lincoln, and their environs and unincorporated areas in Madison, St. Clair and
4 Monroe Counties. The Eastern Division serves Champaign, Urbana, Pontiac, Sterling, and
5 Streator, and their environs. The Chicago-Metro Division serves incorporated and
6 unincorporated areas in Cook, DuPage, Will, Kendall, Grundy, Kane and McHenry Counties.

7 Q. What is the approximate number of customers that are served by the Company's Chicago-
8 Metro Division?

9 A. Approximately 40,500 water customers and 30,000 sanitary sewer customers are served by the
10 Chicago-Metro Division.

11 Q. Is the Chicago-Metro Division divided into service areas?

12 A. Yes. The Chicago-Metro Division is divided into 28 service areas. Those areas are identified
13 as Alpine Heights, Chicago Suburban, Fernway, Midwest Palos, Moreland, Potter Golf, Sunset
14 Manor and Forest Estates, Waycinden, Arrowhead, Country Club, DuPage, Liberty Ridge,
15 Lombard, Santa Fe, Valley View, Wheaton Water/Derby Glen, Nettle Creek, Ridgecrest, River
16 Grange, Rollins/Elgin, Hollis, Valley-Marina, Terra Cotta, Arbury, Central States, Southwest
17 Suburban and West Suburban.

18 Q. What are the sources of supply of water for the area known as the Chicago-Metro Division?

19 A. Lake Michigan and ground water supply.

20 Q. Are you familiar with the Petition which has been filed in this proceeding?

21 A. Yes. Through this proceeding the Petitioner is seeking to obtain a Certificate of Public
22 Convenience and Necessity to provide water and/or sanitary sewer service to nineteen Parcels.
23 All Parcels are contiguous to current service areas of the Petitioner.

24 Q. Could you identify Exhibit A to the Petition?

25 A. Exhibit A consists of seven maps of the Petitioner's current service areas which are contiguous
26 to the eighteen parcels for which Petitioner is requesting the Certificate of Public Convenience

1 and Necessity in this docket. The maps depict the Company's existing Certificated Areas. The
2 existing service areas are shaded blue and identified by number with a corresponding key
3 indicating in which docket the Petitioner obtained the certificate for the area. The areas for
4 which certification is being sought in this proceeding are shaded red and identified with a letter.

5 Q. Could you identify Exhibit B to the Petition?

6 A. Exhibit B is the legal description of the areas for which Illinois-American seeks authority to
7 provide water and/or sanitary sewer services. The legal descriptions are organized by the
8 Petitioner's existing service areas.

9 Q. Could you identify Exhibit C to the Petition?

10 A. Exhibit C identifies the type of service to be provided to each parcel.

11 Q. Why is the Company presently seeking to certify these areas?

12 A. Property developers and/or owners have entered into, or are in the process of entering into
13 various water and/or sanitary sewer service agreements requesting the Company to serve these
14 parcels for which certification is requested. The developers and/or owners agree to take from
15 the Petitioner, and Petitioner agrees to provide, subject to the terms and conditions set forth in
16 the service agreements, water or water and sanitary sewer services.

17 Q. How is your testimony organized?

18 A. My testimony addresses and explains the need for Illinois-American's certification to provide
19 water and/or sanitary sewer service in each area covered by the Petition. The testimony is
20 organized by Service Area and by the specific Parcels within each area. I will refer to the
21 Exhibits attached to the Petition. In addition, The cost of water and/or sanitary facilities is
22 shown on BK Exhibit 1 and the first and fifth year revenues from each Parcel are shown on BK
23 Exhibit 2.

24 Q. Please explain why granting the certificate requested for each of the Parcels described above
25 would promote the public convenience and provide adequate, reliable and efficient service to
26 customers at the least cost.

1 A. As shown on the various Exhibits, each of the Parcels is contiguous to an existing Illinois-
2 American Service Area. It is obviously most cost-efficient for an existing utility in the area to
3 extend its mains rather than have a new entity come into the area to establish service.
4 Duplication of facilities and unnecessary costs would be avoided.

5 Q. Is Illinois-American capable of efficiently managing and supervising the construction process
6 incident to the provision of service to all of the described Parcels?

7 A. Yes. Illinois-American is the largest investor-owned water and wastewater utility in Illinois
8 and has many years of experience managing and supervising this type of construction.

9 Q. Is Illinois-American capable of financing the proposed construction without significant adverse
10 financial consequences for the utility or its customers?

11 A. Yes. The agreements we have entered into with the developers are consistent with
12 longstanding Illinois-American practices and tariffs and the settlement reached with the ICC
13 Staff in Docket No. 01-0645 whereby a credit will be given for sewer mains for customers who
14 connect within thirty days of completion of the main and refunds will be collected from
15 abutting customers who connect for sewer service within ten years. Illinois-American has
16 access to all of the necessary funds to support its portion of these investments through its
17 parent, American Water.

18 Q. Will Part 600 of the Commission's regulations be followed in regards inter alia, to contributions
19 for water service?

20 A. Yes.

21 Q. Has a Permit been obtained from the Illinois Historical Preservation Society for water and
22 sewer construction?

23 A. All necessary Permits will be obtained by the developer/owner.

24 Q. Has a Permit been obtained by the Illinois Department of Agriculture for the water and sewer
25 construction?

26 A. The developer will obtain all necessary Permits.

1 Q. Will any easements be required to be obtained to install any mains or facilities?

2 A. It is contemplated that mains and facilities will be installed in right-of-ways or developer-
3 granted easements. If any easements are required from third party property owners, Part 300 of
4 the Administrative Code will be followed.

5 **Chicago Suburban**

6 Q. Have you caused to be prepared a location map showing Illinois-American's presently
7 certificated Chicago Suburban Service Area, including the parcels which are the subject of this
8 proceeding?

9 A. Yes. The map is marked as Page 1 of Exhibit A of the Petition.

10 Q. Please generally describe the Chicago Suburban Area.

11 A. In the Chicago Suburban Service Area, which is located adjacent to and within a portion of the
12 Villages of Mt. Prospect and Prospect Heights, water and sanitary sewer service is provided to
13 approximately 7,700 customers. Lake Michigan water is provided to the customers through an
14 interconnection with the Village of Glenview. Water storage within the service area totals 1.90
15 million gallons. Illinois-American collects sewage, which is treated by the Metropolitan Water
16 Reclamation District of Greater Chicago ("MWRD").

17 Q. How many parcels at issue in this proceeding are located near Illinois-American's Chicago
18 Suburban service area?

19 A. Two.

20 Q. Will Illinois-American have sufficient capacity to meet the estimated demand for the two
21 developments identified within the Chicago Suburban development.

22 A. Yes. The cumulative estimated demand for the two developments is 0.007 mgd. The Chicago
23 Suburban water system has a capacity of approximately 7.8 mgd. Adding the anticipated water
24 demand of 0.007 mgd to the 2002 average day demand of 1.8 mgd and peak demand of 3.05
25 mgd, total demand is within the current capacity.

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2 **Parcel A – Palwaukee Airport**

3 Q. Please describe the proposed service to Chicago Suburban Parcel A (Palwaukee Airport).

4 A. The Palwaukee Airport, has requested water service for a fire protection loop on the southeast
5 section of Palwaukee Airport. The legal description is attached to the Application on Page 1 of
6 Exhibit B of the Petition.

7 Q. Has Illinois-American entered into a water service agreement with the developer?

8 A. No, the agreement has not been finalized.

9 Q. Have you caused to be prepared an estimate of the cost for the water facilities to be
10 constructed?

11 A. The engineering has not been finalized. Therefore a cost estimate is not available.

12 Q. Are there any other public water systems, which are willing and able to provide service to
13 Chicago Suburban Parcel A?

14 A. No.

15 Q. Is any portion of the area sought to be certificated in this proceeding located within 1-½ miles
16 of the boundary of any municipality?

17 A. Yes. The area is within 1-½ miles of the Cities of Wheeling, Northbrook, Glenview, Des
18 Plaines, Mt. Prospect and Prospect Heights.

19 Q. Did you serve a Notice of the filing of the Petition with the Illinois Commerce Commission on
20 the above-named municipalities, and was a copy of the Petition attached to such Notice?

21 A. Yes, our Associate Counsel mailed a Notice with an attached copy of the Petition to the
22 municipalities on May 29, 2003.

23 Q. What is the demand estimated for the development?

24 A. The estimated demand is 50 Population Equivalent (P.E.). This translates to 0.005 gallons per
25 day (mgd) of water flow.

1 Q. Does Illinois-American have sufficient capacity to meet this demand without building
2 additional treatment facilities?

3 A. Yes, the Chicago Suburban water system has a capacity of approximately 7.8 mgd. The average
4 day demand in 2002 was 1.8 mgd and the peak demand was 3.05 mgd. Therefore there is
5 sufficient capacity in the system to meet this demand without building additional treatment
6 facilities.

7 Q. Of the acreage requested to be certificated to Illinois-American, please describe the current
8 usage?

9 A. The area is currently used as a municipal airport.

10 Q. What is the amount of acreage which will be removed from its current use, due to the
11 installation of a permanent structure in the proposed facilities?

12 A. No permanent utility structures are planned, therefore no significant acreage will be removed.

13 **Parcel B – Clark Gas Station**

14 Q. Please describe the proposed service to Chicago Suburban Parcel B (Clark Gas Station).

15 A. The developer, ERS of Illinois, Inc., has requested water service for a gas station. The legal
16 description is attached on Page 2 of Exhibit B of the Petition.

17 Q. Has Illinois-American entered into a water service agreement with the developer?

18 A. No, the agreement has not been finalized.

19 Q. Have you caused to be prepared an estimate of cost for the water facilities to be constructed?

20 A. The engineering has not been finalized, therefore a cost estimate is not available.

21 Q. Are there any other public water systems, which are willing and able to provide service to
22 Chicago Suburban Parcel B?

23 A. No.

24 Q. Is any portion of the area sought to be certificated in this proceeding located within 1-½ miles
25 of the boundary of any municipality?

1 A. Yes. The area is within 1-½ miles of the Cities of Wheeling, Northbrook, Glenview, Des
2 Plaines, Mt. Prospect and Prospect Heights.

3 Q. Did you serve a Notice of the filing of the Petition with the Illinois Commerce Commission on
4 the above-named municipalities, and was a copy of the Petition attached to such Notice?

5 A. Yes, our Associate Counsel mailed a Notice with an attached copy of the Petition to the
6 municipalities on May 29, 2003.

7 Q. What is the demand estimated for the development?

8 A. The estimated demand is 20 Population Equivalents (P.E.). This translates to 0.002 mgd of
9 water demand.

10 Q. Does Illinois-American have sufficient capacity to meet this demand without building
11 additional treatment facilities?

12 A. Yes, the Chicago Suburban water system has a capacity of approximately 7.8 mgd. The average
13 day demand in 2002 was 1.8 mgd and the peak demand was 3.05 mgd. Therefore there is
14 sufficient capacity in the system to meet this demand without building additional treatment
15 facilities.

16 Q. Of the acreage requested to be certificated to Illinois-American, please describe the current
17 usage?

18 A. The site was previously a gas station also.

19 Q. What is the amount of acreage which will be removed from its current use, due to the
20 installation of a permanent structure in the proposed facilities?

21 A. No permanent utility structures are planned, therefore no significant acreage will be removed.

22 **DuPage**

23 Q. Have you caused to be prepared a location map showing Illinois-American's presently
24 certificated DuPage service area, including the parcels which are the subject of this
25 proceeding?

26 A. Yes. The map is marked as Page 2 of Exhibit A of the Petition.

1 Q. Please generally describe the DuPage Service Area.

2 A. The DuPage Service Area is located near the Village of Lisle and presently Illinois-American
3 provides water and sanitary sewer service to approximately 1,086 customers plus 1,750 units in
4 the Four Lakes complex. A Lake Michigan water supply is provided to our customers through
5 an interconnection with the Village of Lisle. Two elevated water storage tanks exist within the
6 district with a combined capacity of 200,000 gallons with additional water storage provided by
7 the Village of Lisle. Wastewater treatment is provided by DuPage County.

8 Q. How many parcels at issue in this proceeding are located near Illinois-American's DuPage
9 service area?

10 A. One.

11 **Parcel A – 5613 Lenox Road Watermain Extension**

12 Q. Please describe the proposed service to DuPage Parcel A (5613 Lenox Road Watermain
13 Extension).

14 A. The homeowner has requested water service for a single-family home. The legal description is
15 attached on Page 3 of Exhibit B of the Petition.

16 Q. Has Illinois-American entered into a water service agreement with the developer?

17 A. Yes.

18 Q. Have you caused to be prepared an estimate of cost for the water facilities to be constructed?

19 A. Yes. Page 1 of BK Exhibit 1 is the cost estimate.

20 Q. Are there any other public water systems, which are willing and able to provide service to
21 DuPage Parcel A?

22 A. No, I am not aware of any municipality having mains closer than Illinois-American's.

23 Q. Is any portion of the area sought to be certificated in this proceeding located within 1-½ miles
24 of the boundary of any municipality?

25 A. Yes. The area is within 1-½ miles of the Cities of Lisle, Downers Grove, Woodridge, and
26 Naperville.

1 Q. Did you serve a Notice of the filing of the Petition with the Illinois Commerce Commission on
2 the above-named municipalities, and was a copy of the Petition attached to such Notice?

3 A. Yes, our Associate Counsel mailed a Notice with an attached copy of the Petition to the
4 municipalities on May 29, 2003.

5 Q. What is the demand estimated for the development?

6 A. The demand is estimated at 3.5 Population Equivalents (P.E.) or 0.00035 mgd.

7 Q. Does Illinois-American have sufficient capacity to meet this demand without building
8 additional treatment facilities?

9 A. Yes, the DuPage water system has a capacity of approximately 3.4 mgd. The average day
10 demand in 2002 was 0.6 mgd and the peak demand was 2.1 mgd. Therefore there is sufficient
11 capacity in the system to meet this demand without building additional treatment facilities.

12 Q. Of the acreage requested to be certificated to Illinois-American, please describe the current
13 usage?

14 A. There is an older home on the site.

15 Q. What is the amount of acreage which will be removed from its current use, due to the
16 installation of a permanent structure in the proposed facilities?

17 A. No permanent utility structures are planned; therefore no significant acreage will be removed.

18 **Forest Estates**

19 Q. Have you caused to be prepared a location map showing Illinois-American's presently
20 certificated Forest Estates Service Area, including the parcel which is the subject of this
21 proceeding?

22 A. Yes. The map is marked as Page 3 of Exhibit A of the Petition.

23 Q. Please generally describe the Forest Estates Service Area.

24 A. Illinois-American provides wastewater collection service for 480 homes located within our
25 Forest Estates Service Area, which is located adjacent to Schaumburg in Cook County.
26 Metropolitan Water Reclamation District ("MWRD") provides sewer Treatment.

1 Q. How many parcels at issue in this proceeding are located near Illinois-American's Forest
2 Estates Suburban service area?

3 A. One.

4 **Parcel A – Residence 2974 Brockway, Rolling Meadows**

5 Q. Please describe the proposed service to Forest Estates Parcel A (2974 Brockway Residence).

6 A. The homeowner has requested sewer collection service for a single-family home. A portion of
7 their property is already certificated. The legal description is attached on Page 4 of Exhibit B
8 of the Petition.

9 Q. Has Illinois-American entered into a sewer service agreement with the homeowner?

10 A. No, the agreement has not yet been signed.

11 Q. Have you caused to be prepared an estimate of cost for the sewer facilities to be constructed?

12 A. The engineering has not been finalized. Therefore, a cost estimate is not yet available.

13 Q. Are there any other public wastewater systems, which are willing and able to provide service to
14 Forest Estates Parcel A?

15 A. No.

16 Q. Is any portion of the area sought to be certificated in this proceeding located within 1-½ miles
17 of the boundary of any municipality?

18 A. Yes. The area is within 1-½ miles of the Cities of Palatine, Rolling Meadows, and
19 Schaumburg.

20 Q. Did you serve a Notice of the filing of the Petition with the Illinois Commerce Commission on
21 the above-named municipalities, and was a copy of the Petition attached to such Notice?

22 A. Yes, our Associate Counsel mailed a Notice with an attached copy of the Petition to the
23 municipalities on May 29, 2003.

24 Q. What is the demand estimated for the development?

25 A. The demand is estimated at 3.5 P.E. or 0.00035 mgd.

1 Q. Does Illinois-American have sufficient capacity to meet this demand without building
2 additional treatment facilities?

3 A. Yes, the approximate capacity of the sewer system is 0.45 mgd and the current average day
4 flow is approximately 0.065 mgd. The system has sufficient capacity to meet this demand
5 without building additional treatment facilities.

6 Q. Of the acreage requested to be certificated to Illinois-American, please describe the current
7 usage?

8 A. Current usage is residential.

9 Q. What is the amount of acreage which will be removed from its current use, due to the
10 installation of a permanent structure in the proposed facilities?

11 A. No permanent utility structures are planned; therefore no significant acreage will be removed.

12 **Santa Fe**

13 Q. Have you caused to be prepared a location map showing Illinois-American's presently
14 certificated Santa Fe Service Area, including the parcels which are the subject of this
15 proceeding?

16 A. Yes. The map is marked as Page 4 of Exhibit A of the Petition.

17 Q. Please generally describe the Santa Fe area.

18 A. Illinois-American provides water and sewage collection and treatment service to approximately
19 210 customers within the Santa Fe service area, which is located in and adjacent to the Villages
20 of Woodridge and Bolingbrook. Currently Lake Michigan water is supplied from the
21 American Lake Water Company. Storage within the system includes a 500,000 gallon elevated
22 tank and a 5 million gallon reservoir/booster station at the Lake Water Company connection
23 point. The 5 million gallon storage is shared with the West Suburban System. A 1-mgd
24 sewage treatment plant provides sewage collection and treatment.

25 Q. How many parcels at issue in this proceeding are located near Illinois-American's Santa Fe
26 service area?

1 A. Four.

2 Q. Will Illinois-American have sufficient capacity to meet the estimated demand for the four
3 developments identified within the Santa Fe development.

4 A. Yes. The cumulative estimated demand for the four developments is 0.065 mgd. The Santa Fe
5 water system has a capacity of approximately 2.0 mgd. Adding the cumulative anticipated
6 water demand of 0.065 to the 2002 average day demand of 0.5 mgd and peak demand of 1.1
7 mgd, total demand is within the current capacity.

8 **Parcel A – Extreme Express**

9 Q. Please describe the proposed service to Santa Fe Parcel A (Extreme Express).

10 A. The developer, JACS, LLC, has requested water service for a trucking facility. The legal
11 description is attached on Page 5 of Exhibit B of the Petition.

12 Q. Has Illinois-American entered into a water service agreement with the developer?

13 A. The agreement has been signed.

14 Q. Have you caused to be prepared an estimate of the cost for the water facilities to be
15 constructed?

16 A. Yes. Page 2 of BK Exhibit 1 is a copy of the cost estimate.

17 Q. Is there any other public water, which is willing and able to provide service to Santa Fe Parcel
18 A?

19 A. No.

20 Q. Is any portion of the area sought to be certificated in this proceeding located within 1-½ miles
21 of the boundary of any municipality?

22 A. Yes. The area is within 1-½ miles of the Cities of Woodridge, Lemont, Bolingbrook, and
23 Romeoville.

24 Q. Did you serve a Notice of the filing of the Petition with the Illinois Commerce Commission on
25 the above-named municipalities, and was a copy of the Petition attached to such Notice?

1 A. Yes, our Associate Counsel mailed a Notice with an attached copy of the Petition to the
2 municipalities on May 29, 2003.

3 Q. What is the demand estimated for the development?

4 A. The demand is estimated at 4 P.E. or 0.0004 mgd.

5 Q. Does Illinois-American have sufficient capacity to meet this demand without building
6 additional treatment facilities?

7 A. Yes. The Santa Fe water system has a capacity of approximately 2.0 mgd. The average day
8 demand in 2002 was 0.5 mgd and the peak demand was 1.1 mgd. Therefore there is sufficient
9 capacity in the system to meet this demand without building additional treatment facilities.

10 Q. Of the acreage requested to be certificated to Illinois-American, please describe the current
11 usage?

12 A. Current use is industrial warehouse.

13 Q. What is the amount of acreage which will be removed from its current use, due to the
14 installation of a permanent structure in the proposed facilities?

15 A. No permanent utility structures are planned; therefore no significant acreage will be removed.

16 **Parcel B – Bluff Point**

17 Q. Please describe the proposed service to Santa Fe Parcel B (Bluff Point).

18 A. Bridge Development LLC is requesting water and sanitary sewer for a warehouse/office
19 complex. The legal description is attached on Page 5 of Exhibit B of the Petition.

20 Q. Has Illinois-American entered into a water and sanitary sewer service agreement with the
21 developer?

22 A. No, the agreement has not been finalized.

23 Q. Have you caused to be prepared an estimate of cost for the water and sanitary facilities to be
24 constructed?

25 A. Yes, the cost estimate is attached on Page 3 of BK Exhibit 1.

1 Q. Are there any other public water or sewer systems, which are willing and able to provide
2 service to Santa Fe Parcel B?

3 A. No.

4 Q. Is any portion of the area sought to be certificated in this proceeding located within 1-½ miles
5 of the boundary of any municipality?

6 A. Yes. The area is within 1-½ miles of the Cities of Woodridge, Lemont, Bolingbrook, and
7 Romeoville.

8 Q. Did you serve a Notice of the filing of the Petition with the Illinois Commerce Commission on
9 the above-named municipalities, and was a copy of the Petition attached to such Notice?

10 A. Yes, our Associate Counsel mailed a Notice with an attached copy of the Petition to the
11 municipalities on May 29, 2003.

12 Q. What is the demand estimated for the development?

13 A. The demand is estimated at 600 P.E. or 0.06 mgd.

14 Q. Does Illinois-American have sufficient capacity to meet this demand without building
15 additional treatment facilities?

16 A. Yes. The Santa Fe water system has a capacity of approximately 2.0 mgd. The average day
17 demand in 2002 was 0.5 mgd and the peak demand was 1.1 mgd. Therefore there is sufficient
18 capacity in the system to meet this demand without building additional treatment facilities.

19 Q. Of the acreage requested to be certificated to Illinois-American, please describe the current
20 usage?

21 A. The current usage may be undeveloped urban land.

22 Q. What is the amount of acreage which will be removed from its current use, due to the
23 installation of a permanent structure in the proposed facilities?

24 A. No permanent utility structures are planned; therefore no significant acreage will be removed.

25 **Parcel C – Ruan Trucking Sanitary Sewer**

26 Q. Please describe the proposed service to Santa Fe Parcel C (Ruan Trucking)

1 A. The developer has requested sanitary sewer service for a truck leasing facility. The legal
2 description is attached on Pages 6-7 of Exhibit B of the Petition.

3 Q. Has Illinois-American entered into a sanitary sewer service agreement with the developer?

4 A. No, an agreement has not been finalized.

5 Q. Have you caused to be prepared an estimate of cost for the sanitary sewer facilities to be
6 constructed?

7 A. The engineering has not been finalized. Therefore, a cost estimate is not yet available.

8 Q. Are there any other public sewer systems, which are willing and able to provide service to
9 Santa Fe Parcel C?

10 A. No.

11 Q. Is any portion of the area sought to be certificated in this proceeding located within 1-½ miles
12 of the boundary of any municipality?

13 A. Yes. The area is within 1-½ miles of the Cities of Woodridge, Lemont, Bolingbrook, and
14 Romeoville.

15 Q. Did you serve a Notice of the filing of the Petition with the Illinois Commerce Commission on
16 the above-named municipalities, and was a copy of the Petition attached to such Notice?

17 A. Yes, our Associate Counsel mailed a Notice with an attached copy of the Petition to the
18 municipalities on May 29, 2003.

19 Q. What is the demand estimated for the development?

20 A. The demand estimate is estimated at 20 P.E. or 0.002 mgd.

21 Q. Does Illinois-American have sufficient capacity to meet this demand without building
22 additional treatment facilities?

23 A. Yes. The Santa Fe water system has a capacity of approximately 2.0 mgd. The average day
24 demand in 2002 was 0.5 mgd and the peak demand was 1.1 mgd. Therefore there is sufficient
25 capacity in the system to meet this demand without building additional treatment facilities.

1 Q. Of the acreage requested to be certificated to Illinois-American, please describe the current
2 usage?

3 A. Industrial.

4 Q. What is the amount of acreage which will be removed from its current use, due to the
5 installation of a permanent structure in the proposed facilities?

6 A. No permanent utility structures are planned; therefore no significant acreage will be removed.

7 **Parcel D – 101st and Lemont Road Gas Station**

8 Q. Please describe the proposed service to Santa Fe Parcel D (Darien Junction).

9 A. A Developer is requesting water and sanitary sewer for a gas station and car wash. The legal
10 description is attached on Page 8 of Exhibit B of the Petition.

11 Q. Has Illinois-American entered into a water and sanitary sewer service agreement with the
12 developer?

13 A. Yes, an agreement has been finalized.

14 Q. Have you caused to be prepared an estimate of cost for the water and sanitary facilities to be
15 constructed?

16 A. Yes, the cost estimate is attached on Page 4 of BK Exhibit 1.

17
18 Q. Are there any other public water or sewer systems, which are willing and able to provide
19 service to Santa Fe Parcel D?

20 A. No.

21 Q. Is any portion of the area sought to be certificated in this proceeding located within 1-½ miles
22 of the boundary of any municipality?

23 A. Yes. The area is within 1-½ miles of the Cities of Woodridge, Lemont, Bolingbrook, and
24 Romeoville.

25 Q. Did you serve a Notice of the filing of the Petition with the Illinois Commerce Commission on
26 the above-named municipalities, and was a copy of the Petition attached to such Notice?

1 A. Yes, our Associate Counsel mailed a Notice with an attached copy of the Petition to the
2 municipalities on May 29, 2003.

3 Q. What is the demand estimated for the development?

4 A. The demand estimate is estimated to be 26 P.E. or 0.0026 mgd.

5 Q. Does Illinois-American have sufficient capacity to meet this demand without building
6 additional treatment facilities?

7 A. Yes, the Santa Fe water system has a capacity of approximately 2.0 mgd. The average day
8 demand in 2002 was 0.5 mgd and the peak demand was 1.1 mgd. Therefore there is sufficient
9 capacity in the system to meet this demand without building additional treatment facilities.

10 Q. Of the acreage requested to be certificated to Illinois-American, please describe the current
11 usage?

12 A. Urban undeveloped Land.

13 Q. What is the amount of acreage which will be removed from its current use, due to the
14 installation of a permanent structure in the proposed facilities?

15 A. No permanent utility structures are planned; therefore no significant acreage will be removed.

16 **Southwest Suburban**

17 Q. Have you caused to be prepared a location map showing Illinois-American's presently
18 certificated Southwest Suburban Service Area, including the parcels which are the subject of
19 this proceeding?

20 A. Yes. The map is marked Page 5 of Exhibit A of the Petition.

21 Q. Please generally describe the Southwest Suburban Service Area.

22 A. The Southwest Suburban Service Area is located in unincorporated portions of Cook and Will
23 Counties, in portions of Homer, Lemont and Orland Townships. Water and sanitary sewer
24 service is provided to approximately 6,200 customers. The water system is comprised of Lake
25 Michigan Water Supply from the American Lake Water Company. Sewage treatment is
26 provided by the Oak Valley, Chickasaw Hills or Derby Meadows Plants or is treated by the

1 MWRD for areas that are within Cook County and are connected to MWRD's collection
2 facilities.

3 Q. Does Illinois-American possess a certificate to provide water service throughout much of
4 Homer Township in Will County?

5 A. Yes. A certificate to provide water service throughout much of Homer Township was issued in
6 Docket No. 93-0427. The territory included all parcels listed as Southwest Suburban Parcels A
7 through I (except Parcels C and H in this proceeding). Therefore, even though Illinois-
8 American will provide water as well as sewer service to these parcels, Illinois-American is
9 requesting only a sanitary sewer certificate for these parcels because it is already certificated
10 for water. Illinois-American is requesting a water and sanitary sewer certificate for parcels C
11 and H.

12 Q. How many parcels at issue in this proceeding are located near Illinois-American's Southwest
13 Suburban service area?

14 A. Nine.

15 Q. Will Illinois-American have sufficient capacity to meet the estimated demand for the nine
16 developments identified within the Southwest Suburban development.

17 A. Yes. The cumulative estimated demand for the nine developments is 0.22575. The Southwest
18 Suburban water system has a capacity of approximately 12 mgd. Adding the anticipated
19 demand to the average day demand in 2002 of 2.3 mgd and peak demand of 5.7 mgd, the total
20 demand is within the current capacity.

21 **Parcel A – Olha Property**

22 Q. Please describe the proposed service to Southwest Suburban Parcel A (Olha Property).

23 A. The Landowner has requested sanitary sewer service for a 100-acre parcel. The legal
24 description is attached on Page 9 of Exhibit B of the Petition.

25 Q. Has Illinois-American entered into a sanitary sewer service agreement with the developer?

26 A. No, an agreement has not been finalized.

1 Q. Have you caused to be prepared an estimate of cost for the sewer facilities to be constructed?

2 A. The engineering for the sanitary sewer facilities is not complete. Therefore, cost estimates are
3 not available.

4 Q. Are there any other public sanitary sewer systems, which are willing and able to provide
5 service to Southwest Suburban Parcel A?

6 A. This Parcel is located inside the Village of Homer Glen. Sewer treatment can be provided by
7 the City of Lockport at their plant or at Illinois-American's Oak Valley Treatment Plant.

8 Q. Is any portion of the area sought to be certificated in this proceeding located within 1-½ miles
9 of the boundary of any municipality?

10 A. Yes. The area is within 1-½ miles of the Cities of Lockport, Orland Park, Lemont, and Palos
11 Park.

12 Q. Did you serve a Notice of the filing of the Petition with the Illinois Commerce Commission on
13 the above-named municipalities, and was a copy of the Petition attached to such Notice?

14 A. Yes, our Associate Counsel mailed a Notice with an attached copy of the Petition to the
15 municipalities on May 29, 2003.

16 Q. What is the demand estimated for the development?

17 A. The demand is estimated to be 455 P.E. or 0.0455 mgd.

18 Q. Does Illinois-American have sufficient capacity to meet this demand without building
19 additional treatment facilities?

20 A. Yes. The Southwest Suburban water system has a capacity of approximately 12 mgd. The
21 average day demand in 2002 was 2.3 mgd and the peak demand was 5.7 mgd. The capacity of
22 the sewer system is approximately 3.82 mgd. The 2001 flow was 2.4 mgd. Therefore there is
23 sufficient capacity in the system to meet this demand without building additional treatment
24 facilities.

25 Q. Of the acreage requested to be certificated to Illinois-American, please describe the current
26 usage?

1 A. The land is currently agricultural.

2 Q. Has the Company previously entered into an agreement with the Illinois Department of
3 Agriculture in regard to extension of water lines?

4 A. Yes, on November 23, 1992, the Company entered into the Agricultural Impact Mitigation
5 Agreement with the Department of Agriculture.

6 Q. Would the water line extension contemplated by this Petition be subject to this Agreement?

7 A. Yes. The area sought to be certificated, however, is ripe for development for residential use
8 and the Company will comply with the Agreement with the Department of Agriculture.

9 Q. What is the amount of acreage which will be removed from its current use, due to the
10 installation of a permanent structure in the proposed facilities?

11 A. No permanent utility structures are planned; therefore no significant acreage will be removed.

12 **Parcel B – Crystal Creek Subdivision**

13 Q. Please describe the proposed service to Southwest Suburban Parcel B (Crystal Creek
14 Subdivision).

15 A. The developer has requested sanitary sewer service for a 15-acre residential and a small
16 commercial development. The legal description is attached on Pages 9-10 of Exhibit B of the
17 Petition.

18 Q. Has Illinois-American entered into a sanitary sewer service agreement with the developer?

19 A. Yes, an agreement has been signed.

20 Q. Have you caused to be prepared an estimate of cost for the sewer facilities to be constructed?

21 A. The engineering has not been finalized. Therefore, a cost estimate is not yet available.

22 Q. Are there any other public sanitary sewer systems, which are willing and able to provide
23 service to Southwest Suburban Parcel B?

24 A. No.

25 Q. Is any portion of the area sought to be certificated in this proceeding located within 1-½ miles
26 of the boundary of any municipality?

1 A. Yes. The area is within 1-½ miles of the Cities of Lockport, Orland Park, Lemont, and Palos
2 Park.

3 Q. Did you serve a Notice of the filing of the Petition with the Illinois Commerce Commission on
4 the above-named municipalities, and was a copy of the Petition attached to such Notice?

5 A. Yes, our Associate Counsel mailed a Notice with an attached copy of the Petition to the
6 municipalities on May 29, 2003.

7 Q. What is the demand estimated for the development?

8 A. The demand is estimated to be 87.5 P.E. or 0.00875 mgd.

9 Q. Does Illinois-American have sufficient capacity to meet this demand without building
10 additional treatment facilities?

11 A. Yes. The Southwest Suburban water system has a capacity of approximately 12 mgd. The
12 average day demand in 2002 was 2.3 mgd and the peak demand was 5.7 mgd. The capacity of
13 the sewer system is approximately 3.82 mgd. The 2001 flow was 2.4 mgd. Therefore there is
14 sufficient capacity in the system to meet this demand without building additional treatment
15 facilities.

16 Q. Of the acreage requested to be certificated to Illinois-American, please describe the current
17 usage?

18 A. The land is open urban space.

19 Q. What is the amount of acreage which will be removed from its current use, due to the
20 installation of a permanent structure in the proposed facilities?

21 A. No permanent utility structures are planned; therefore no significant acreage will be removed.

22 **Parcel C– Hiller Development**

23 Q. Please describe the proposed service to Southwest Suburban Parcel C (Hiller Development).

24 A. The developer has requested water and sanitary sewer service for a 60-acre development. The
25 legal description is attached on Page 11 of Exhibit B of the Petition.

1 Q. Has Illinois-American entered into a water and sanitary sewer service agreement with the
2 developer?

3 A. No, an agreement has not been finalized yet.

4 Q. Have you caused to be prepared an estimate of cost for the water and sanitary sewer facilities to
5 be constructed?

6 A. The engineering has not been finalized. Therefore, a cost estimate is not yet available.

7 Q. Are there any other public water and sanitary sewer systems, which are willing and able to
8 provide service to Southwest Suburban Parcel C?

9 A. No.

10 Q. Is any portion of the area sought to be certificated in this proceeding located within 1-½ miles
11 of the boundary of any municipality?

12 A. Yes. The area is within 1-½ miles of the Cities of Lockport, Orland Park, Lemont, and Palos
13 Park.

14 Q. Did you serve a Notice of the filing of the Petition with the Illinois Commerce Commission on
15 the above-named municipalities, and was a copy of the Petition attached to such Notice?

16 A. Yes, our Associate Counsel mailed a Notice with an attached copy of the Petition to the
17 municipalities on May 29, 2003.

18 Q. What is the demand estimated for the development?

19 A. The estimated demand is 385 P.E. or 0.0038 mgd.

20 Q. Does Illinois-American have sufficient capacity to meet this demand without building
21 additional treatment facilities?

22 A. Yes. The Southwest Suburban water system has a capacity of approximately 12 mgd. The
23 average day demand in 2002 was 2.3 mgd and the peak demand was 5.7 mgd. The capacity of
24 the sewer system is approximately 3.82 mgd. The 2001 flow was 2.4 mgd. Therefore there is
25 sufficient capacity in the system to meet this demand without building additional treatment
26 facilities.

1 Q. Of the acreage requested to be certificated to Illinois-American, please describe the current
2 usage?

3 A. The land is currently agricultural.

4 Q. Has the Company previously entered into an agreement with the Illinois Department of
5 Agriculture in regard to extension of water lines?

6 A. Yes, on November 23, 1992, the Company entered into the Agricultural Impact Mitigation
7 Agreement with the Department of Agriculture.

8 Q. Would the water line extension contemplated by this Petition be subject to this Agreement?

9 A. Yes. The area sought to be certificated, however, is ripe for development for residential use
10 and the Company will comply with the Agreement with the Department of Agriculture.

11 Q. What is the amount of acreage which will be removed from its current use, due to the
12 installation of a permanent structure in the proposed facilities?

13 A. No permanent utility structures are planned; therefore no significant acreage will be removed.

14 **Parcel D – Glenbrook Development**

15 Q. Please describe the proposed service to Southwest Suburban Parcel D (Glenbrook
16 Development).

17 A. The developer, Glenbrook Properties Group, LLC, has requested sanitary sewer service for a 6-
18 acre development. The legal description is attached on Page 11 of Exhibit B of the Petition.

19 Q. Has Illinois-American entered into a sanitary sewer service agreement with the developer?

20 A. No, an agreement has not been finalized yet.

21 Q. Have you caused to be prepared an estimate of cost for the sanitary sewer facilities to be
22 constructed?

23 A. The engineering has not been finalized. Therefore, a cost estimate is not yet available.

24 Q. Are there any other public sanitary sewer systems, which are willing and able to provide
25 service to Southwest Suburban Parcel D?

26 A. No.

1 Q. Is any portion of the area sought to be certificated in this proceeding located within 1-½ miles
2 of the boundary of any municipality?

3 A. Yes. The area is within 1-½ miles of the Cities of Lockport, Orland Park, Lemont, and Palos
4 Park.

5 Q. Did you serve a Notice of the filing of the Petition with the Illinois Commerce Commission on
6 the above-named municipalities, and was a copy of the Petition attached to such Notice?

7 A. Yes, our Associate Counsel mailed a Notice with an attached copy of the Petition to the
8 municipalities on May 29, 2003.

9 Q. What is the demand estimated for the development?

10 A. The demand is estimated at 60 P.E. or 0.006. mgd.

11 Q. Does Illinois-American have sufficient capacity to meet this demand without building
12 additional treatment facilities?

13 A. Yes. The Southwest Suburban water system has a capacity of approximately 12 mgd. The
14 average day demand in 2002 was 2.3 mgd and the peak demand was 5.7 mgd. The capacity of
15 the sewer system is approximately 3.82 mgd. The 2001 flow was 2.4 mgd. Therefore there is
16 sufficient capacity in the system to meet this demand without building additional treatment
17 facilities.

18 Q. Of the acreage requested to be certificated to Illinois-American, please describe the current
19 usage?

20 A. The area is currently commercial.

21 Q. What is the amount of acreage which will be removed from its current use, due to the
22 installation of a permanent structure in the proposed facilities?

23 A. No permanent utility structures are planned; therefore no significant acreage will be removed.

24 **Parcel E – Cedar Ridge Subdivision**

25 Q. Please describe the proposed service to Southwest Suburban Parcel E (Cedar Ridge
26 Subdivision).

1 A. The developer has requested sanitary sewer service for a 39-acre parcel. The legal
2 description is attached on Page 11 of Exhibit B of the Petition.

3 Q. Has Illinois-American entered into a sanitary sewer service agreement with the developer?

4 A. Yes, an agreement has been entered into for service.

5 Q. Have you caused to be prepared an estimate of cost for the sanitary sewer facilities to be
6 constructed?

7 A. The engineering has not been finalized. Therefore, a cost estimate is not yet available.

8 Q. Are there any other public sanitary sewer systems, which are willing and able to provide
9 service to Southwest Suburban Parcel E?

10 A. This parcel is located inside the Village of Homer Glen. Sewer treatment can be provided by
11 the City of Lockport at their plant or at Illinois-American's Oak Valley Treatment Plant.

12 Q. Is any portion of the area sought to be certificated in this proceeding located within 1-½ miles
13 of the boundary of any municipality?

14 A. Yes. The area is within 1-½ miles of the Cities of Lockport, Orland Park, Lemont, and Palos
15 Park.

16 Q. Did you serve a Notice of the filing of the Petition with the Illinois Commerce Commission on
17 the above-named municipalities, and was a copy of the Petition attached to such Notice?

18 A. Yes, our Associate Counsel mailed a Notice with an attached copy of the Petition to the
19 municipalities on May 29, 2003.

20 Q. What is the demand estimated for the development?

21 A. The estimated demand is 136.5 P.E. or 0.01365 mgd.

22 Q. Does Illinois-American have sufficient capacity to meet this demand without building
23 additional treatment facilities?

24 A. Yes. The Southwest Suburban water system has a capacity of approximately 12 mgd. The
25 average day demand in 2002 was 2.3 mgd and the peak demand was 5.7 mgd. The capacity of
26 the sewer system is approximately 3.82 mgd. The 2001 flow was 2.4 mgd. Therefore there is

1 sufficient capacity in the system to meet this demand without building additional treatment
2 facilities.

3 Q. Of the acreage requested to be certificated to Illinois-American, please describe the current
4 usage?

5 A. The land is currently agricultural.

6 Q. Has the Company previously entered into an agreement with the Illinois Department of
7 Agriculture in regard to extension of water lines?

8 A. Yes, on November 23, 1992, the Company entered into the Agricultural Impact Mitigation
9 Agreement with the Department of Agriculture.

10 Q. Would the water line extension contemplated by this Petition be subject to this Agreement?

11 A. Yes. The area sought to be certificated, however, is ripe for development for residential use
12 and the Company will comply with the Agreement with the Department of Agriculture.

13 Q. What is the amount of acreage which will be removed from its current use, due to the
14 installation of a permanent structure in the proposed facilities?

15 A. No permanent utility structures are planned; therefore no significant acreage will be removed.

16 **Parcel F – 15005 Crème Road**

17 Q. Please describe the proposed service to Southwest Suburban Parcel F (15005 Crème Road).

18 A. The homeowner has requested sanitary sewer service for a single-family home. The legal
19 description is attached on Page 12 of Exhibit B of the Petition.

20 Q. Has Illinois-American entered into a sanitary sewer service agreement with the homeowner?

21 A. Yes, an agreement has been entered into for service.

22 Q. Have you caused to be prepared an estimate of cost for the sanitary sewer facilities to be
23 constructed?

24 A. Yes, the cost estimate is attached on Page 5 of BK Exhibit 1.

25 Q. Are there any other public sanitary sewer systems, which are willing and able to provide
26 service to Southwest Suburban Parcel F?

- 1 A. No.
- 2 Q. Is any portion of the area sought to be certificated in this proceeding located within 1-½ miles
3 of the boundary of any municipality?
- 4 A. Yes. The area is within 1-½ miles of the Cities of Lockport, Orland Park, Lemont, and Palos
5 Park.
- 6 Q. Did you serve a Notice of the filing of the Petition with the Illinois Commerce Commission on
7 the above-named municipalities, and was a copy of the Petition attached to such Notice?
- 8 A. Yes, our Associate Counsel mailed a Notice with an attached copy of the Petition to the
9 municipalities on May 29, 2003.
- 10 Q. What is the demand estimated for the development?
- 11 A. The demand is estimated at 3.5 P.E. or 0.00035 mgd.
- 12 Q. Does Illinois-American have sufficient capacity to meet this demand without building
13 additional treatment facilities?
- 14 A. Yes. The Southwest Suburban water system has a capacity of approximately 12 mgd. The
15 average day demand in 2002 was 2.3 mgd and the peak demand was 5.7 mgd. The capacity of
16 the sewer system is approximately 3.82 mgd. The 2001 flow was 2.4 mgd. Therefore there is
17 sufficient capacity in the system to meet this demand without building additional treatment
18 facilities.
- 19 Q. Of the acreage requested to be certificated to Illinois-American, please describe the current
20 usage?
- 21 A. The current use is residential.
- 22 Q. What is the amount of acreage which will be removed from its current use, due to the
23 installation of a permanent structure in the proposed facilities?
- 24 A. No permanent utility structures are planned; therefore no significant acreage will be removed.
- 25 **Parcel G – Montalbano Homes**
- 26 Q. Please describe the proposed service to Southwest Suburban Parcel H (Montalbano Homes).

1 A. The developer, Montalbano Homes, has requested sanitary sewer service for 132 and 68-acre
2 Parcels. The legal description is attached on Pages 12-13 of Exhibit B of the Petition.

3 Q. Has Illinois-American entered into a sanitary sewer service agreement with the developer?

4 A. Yes, an Agreement for the 132-acre Parcel has been finalized. The Agreement for the 68-acre
5 Parcel is not yet final.

6 Q. Have you caused to be prepared an estimate of cost for the sanitary sewer facilities to be
7 constructed?

8 A. The engineering has not been finalized. Therefore, a cost estimate is not yet available

9 Q. Are there any other public sanitary sewer systems, which are willing and able to provide
10 service to Southwest Suburban Parcel H?

11 A. No.

12 Q. Is any portion of the area sought to be certificated in this proceeding located within 1-½ miles
13 of the boundary of any municipality?

14 A. Yes. The area is within 1-½ miles of the Cities of Lockport, Orland Park, Lemont, and Palos
15 Park.

16 Q. Did you serve a Notice of the filing of the Petition with the Illinois Commerce Commission on
17 the above-named municipalities, and was a copy of the Petition attached to such Notice?

18 A. Yes, our Associate Counsel mailed a Notice with an attached copy of the Petition to the
19 municipalities on May 29, 2003.

20 Q. What is the demand estimated for the development?

21 A. The demand is estimated to be 1,365 P.E. or 0.1365 mgd.

22 Q. Does Illinois-American have sufficient capacity to meet this demand without building
23 additional treatment facilities?

24 A. Yes. The Southwest Suburban water system has a capacity of approximately 12 mgd. The
25 average day demand in 2002 was 2.3 mgd and the peak demand was 5.7 mgd. The sewer from
26 this development which is located in Cook County will be off-loaded to the Metropolitan Water

1 Reclamation districts trunk sewer. Therefore, this development will not utilize any existing
2 capacity in the treatment plants. Also, there is sufficient capacity in the water system to meet
3 this demand without building additional treatment facilities

4 Q. Of the acreage requested to be certificated to Illinois-American, please describe the current
5 usage?

6 A. The land is currently agricultural.

7 Q. Has the Company previously entered into an agreement with the Illinois Department of
8 Agriculture in regard to extension of water lines?

9 A. Yes, on November 23, 1992, the Company entered into the Agricultural Impact Mitigation
10 Agreement with the Department of Agriculture.

11 Q. Would the water line extension contemplated by this Petition be subject to this Agreement?

12 A. Yes. The area sought to be certificated, however, is ripe for development for residential use
13 and the Company will comply with the Agreement with the Department of Agriculture.

14 Q. What is the amount of acreage which will be removed from its current use, due to the
15 installation of a permanent structure in the proposed facilities?

16 A. No permanent utility structures are planned; therefore no significant acreage will be removed.

17 **Parcel H – Spaniel Woods**

18 Q. Please describe the proposed service to Southwest Suburban Parcel I (Spaniel Woods).

19 A. The developer, Ron Nietupski, has requested water and sanitary sewer service for a residential
20 land area of approximately 20 acres. The legal description is attached on Page 13 of Exhibit B
21 of the Petition.

22 Q. Has Illinois-American entered into a water and sanitary sewer service agreement with the
23 developer?

24 A. No, an agreement has not been finalized.

25 Q. Have you caused to be prepared an estimate of cost for the water and sanitary sewer facilities to
26 be constructed?

1 A. No, since the engineering has not been finalized, a cost estimate is not available.

2 Q. Are there any other public water and sanitary sewer systems, which are willing and able to
3 provide service to Southwest Suburban Parcel I?

4 A. No.

5 Q. Is any portion of the area sought to be certificated in this proceeding located within 1-½ miles
6 of the boundary of any municipality?

7 A. Yes. The area is within 1-½ miles of the Cities of Lockport, Orland Park, Lemont, and Palos
8 Park.

9 Q. Did you serve a Notice of the filing of the Petition with the Illinois Commerce Commission on
10 the above-named municipalities, and was a copy of the Petition attached to such Notice?

11 A. Yes, our Associate Counsel mailed a Notice with an attached copy of the Petition to the
12 municipalities on May 29, 2003.

13 Q. What is the demand estimated for the development?

14 A. The demand is estimated to be 28 P.E. or 0.0028 mgd.

15 Q. Does Illinois-American have sufficient capacity to meet this demand without building
16 additional treatment facilities?

17 A. Yes. The Southwest Suburban water system has a capacity of approximately 12 mgd. The
18 average day demand in 2002 was 2.3 mgd and the peak demand was 5.7 mgd. The capacity of
19 the sewer system is approximately 3.82 mgd. The 2001 flow was 2.4 mgd. Therefore there is
20 sufficient capacity in the system to meet this demand without building additional treatment
21 facilities.

22 Q. Of the acreage requested to be certificated to Illinois-American, please describe the current
23 usage?

24 A. The land is currently open space.

25 Q. What is the amount of acreage which will be removed from its current use, due to the
26 installation of a permanent structure in the proposed facilities?

1 A. No permanent utility structures are planned; therefore no significant acreage will be removed.

2 **Parcel I – The Sanctuary at Water’s Edge**

3 Q. Please describe the proposed service to Southwest Suburban Parcel I.

4 A. The developer has requested water and sewer service to a new subdivision of 24 lots. The legal
5 description is attached on Page 14 of Exhibit B of the Petition.

6 Q. Has Illinois-American entered into a sanitary sewer service agreement with the homeowner?

7 A. Yes, an agreement has been entered into for service.

8 Q. Have you caused to be prepared an estimate of cost for the sanitary sewer facilities to be
9 constructed?

10 A. Yes a cost estimate has been prepared and is attached as Page 6 of BK Exhibit 1.

11 Q. Are there any other public sanitary sewer systems, which are willing and able to provide
12 service to Southwest Suburban Parcel I?

13 A. No.

14 Q. Is any portion of the area sought to be certificated in this proceeding located within 1-½ miles
15 of the boundary of any municipality?

16 A. Yes. The area is within 1-½ miles of the Cities of Lockport, Orland Park, Lemont, and Palos
17 Park.

18 Q. Did you serve a Notice of the filing of the Petition with the Illinois Commerce Commission on
19 the above-named municipalities, and was a copy of the Petition attached to such Notice?

20 A. Yes, our Associate Counsel mailed a Notice with an attached copy of the Petition to the
21 municipalities on May 29, 2003.

22 Q. What is the demand estimated for the development?

23 A. The estimated demand is 84 Population Equivalents (P.E.). This translates to 0.0084 mgd of
24 water demand.

25 Q. Does Illinois-American have sufficient capacity to meet this demand without building
26 additional treatment facilities?

1 A. Yes, the Southwest Suburban water system has a capacity of approximately 12 mgd. The
2 average day demand in 2002 was 2.3 mgd and the peak demand was 5.7 mgd. The capacity of
3 the sewer system is approximately 3.82 mgd. The 2001 flow was 2.4 mgd. Therefore there is
4 sufficient capacity in the system to meet this demand without building additional treatment
5 facilities.

6 Q. Of the acreage requested to be certificated to Illinois-American, please describe the current
7 usage?

8 A. The current use is vacant urban land.

9 Q. What is the amount of acreage which will be removed from its current use, due to the
10 installation of a permanent structure in the proposed facilities?

11 A. No permanent utility structures are planned; therefore no significant acreage will be removed.

12 **Valley View**

13 Q. Have you caused to be prepared a location map showing Illinois-American's presently
14 certificated Valley View Service Area, including the parcels which are the subject of this
15 proceeding?

16 A. Yes. The map is marked as Page 6 of Exhibit A to the Petition.

17 Q. Please generally describe the Valley View Service Area.

18 A. Illinois-American comprises unincorporated portions of DuPage County in the vicinity of Glen
19 Ellyn. Presently, both water and sewer service is being provided to approximately 2,744
20 customers. Lake Michigan water is obtained from the DuPage Water Commission through a
21 connection to our Valley View service district at Park Boulevard and Butterfield Road. The
22 system storage consists of a 0.3 MG elevated tank, .18 MG ground level tank, and a 0.4 MG
23 ground level tank. Illinois-American collects sewage which is delivered to interceptors of the
24 Glenbard Wastewater Authority for treatment.

25 Q. How many parcels at issue in this proceeding are located near Illinois-American's Valley View
26 service area?

1 A. One.

2 **Parcel A – Hidden Lakes**

3 Q. Please describe the proposed service to Valley View Parcel A (Hidden Lakes).

4 A. The developer, Forest Preserve District of DuPage County, has requested water service for a

5 restroom at the Hidden Lakes Forest Preserve. The legal description is attached on Pages 15-

6 18 of Exhibit B of the Petition.

7 Q. Has Illinois-American entered into a water service agreement with the developer?

8 A. Yes, the agreement has been signed.

9 Q. Have you caused to be prepared an estimate of cost for the water facilities to be constructed?

10 A. Yes. Page 7 of BK Exhibit 1 is a copy of the cost estimate.

11 Q. Are there any other public water or sewer systems, which are willing and able to provide

12 service to Valley View Parcel A?

13 A. No.

14 Q. Is any portion of the area sought to be certificated in this proceeding located within 1-½ miles

15 of the boundary of any municipality?

16 A. Yes. The area is within 1-½ miles of the Cities of Wheaton, Downers Grove, Glen Ellyn,

17 Lombard, and Lisle.

18 Q. Did you serve a Notice of the filing of the Petition with the Illinois Commerce Commission on

19 the above-named municipalities, and was a copy of the Petition attached to such Notice?

20 A. Yes, our Associate Counsel mailed a Notice with an attached copy of the Petition to the

21 municipalities on May 29, 2003.

22 Q. What is the demand estimated for the development?

23 A. The estimated demand is 2 P.E. or 0.0002 mgd.

24 Q. Does Illinois-American have sufficient capacity to meet this demand without building

25 additional treatment facilities?

1 A. Yes, the Valley View water system has a capacity of approximately 2.3 mgd. The average day
2 demand in 2001 was 0.64 mgd and the peak demand was 1.35 mgd. The capacity of the sewer
3 system is approximately 6.97 mgd. The 2001 flow was 1.12 mgd. Therefore there is sufficient
4 capacity in the system to meet this demand without building additional treatment facilities.

5 Q. Of the acreage requested to be certificated to Illinois-American, please describe the current
6 usage?

7 A. Park District open space.

8 Q. What is the amount of acreage which will be removed from its current use, due to the
9 installation of a permanent structure in the proposed facilities?

10 A. No permanent utility structures are planned; therefore no significant acreage will be removed.

11 **West Suburban**

12 Q. Have you caused to be prepared a location map showing Illinois-American's presently
13 certificated West Suburban Service Area, including the parcel which is the subject of this
14 proceeding?

15 A. Yes. The map is marked as Page 7 of Exhibit A to the Petition.

16 Q. Please generally describe the West Suburban Service Area.

17 A. The West Suburban Service Area consists of approximately 18,391 water and 10,866 sewer
18 customers. Lake Michigan water is provided through American Lake Water Company. Storage
19 in the System consists of seven elevated tanks - 0.4, 0.75, 0.10, 0.5, 0.5, 0.5 and 0.2MGs each
20 and two - 0.5MG and 1.2MG ground storage tanks. Sewage treatment is provided by the
21 Village of Bolingbrook's wastewater treatment plants.

22 Q. How many parcels at issue in this proceeding are located near Illinois-American's West
23 Suburban service area?

24 A. One.

25 **Parcel A – Augusta Village-Pulte Homes**

26 Q. Please describe the proposed service to West Suburban Parcel A (Pulte Homes).

1 A. The developer, Pulte Homes, has requested water service for approximately a 1,100-Lot
2 residential subdivision. The legal description is attached on Pages 19-21 of Exhibit B of the
3 Petition.

4 Q. Has Illinois-American entered into a water service agreement with the developer?

5 A. Yes, an Agreement has been finalized.

6 Q. Have you caused to be prepared an estimate of cost for the water facilities to be constructed?

7 A. Yes, Page 8 of BK Exhibit 1 is a copy of the cost estimate.

8 Q. Are there any other public water systems, which are willing and able to provide service to West
9 Suburban Parcel A?

10 A. No.

11 Q. Is any portion of the area sought to be certificated in this proceeding located within 1-½ miles
12 of the boundary of any municipality?

13 A. Yes. The area is within 1-½ miles of the Cities of Naperville, Woodridge, Romeoville, and
14 Plainfield.

15 Q. Did you serve a Notice of the filing of the Petition with the Illinois Commerce Commission on
16 the above-named municipalities, and was a copy of the Petition attached to such Notice?

17 A. Yes, our Associate Counsel mailed a Notice with an attached copy of the Petition to the
18 municipalities on May 29, 2003.

19 Q. What is the demand estimated for the development?

20 A. The demand is estimated to be at 3,850 P.E. or 0.385 mgd.

21 Q. Does Illinois-American have sufficient capacity to meet this demand without building
22 additional treatment facilities?

23 A. Yes, the West Suburban water system has a capacity of approximately 24 mgd. The average
24 day demand in 2002 was 5.3 mgd and the peak demand was 9.5 mgd. Therefore there is
25 sufficient capacity in the system to meet this demand without building additional treatment
26 facilities.

1 Q. Of the acreage requested to be certificated to Illinois-American, please describe the current
2 usage?

3 A. Currently, agricultural.

4 Q. Has the Company previously entered into an agreement with the Illinois Department of
5 Agriculture in regard to extension of water lines?

6 A. Yes, on November 23, 1992, the Company entered into the Agricultural Impact Mitigation
7 Agreement with the Department of Agriculture.

8 Q. Would the water line extension contemplated by this Petition be subject to this Agreement?

9 A. Yes. The area sought to be certificated, however, is ripe for development for residential use
10 and the Company will comply with the Agreement with the Department of Agriculture.

11 Q. What is the amount of acreage which will be removed from its current use, due to the
12 installation of a permanent structure in the proposed facilities?

13 A. No permanent utility structures are planned; therefore no significant acreage will be removed.

14 Q. What rates, rules and regulations will be applicable to customers within the area requested to be
15 certificated in this proceeding?

16 A. Those customers will be subject to the tariff rates, rules and regulations on file from time to
17 time and applicable to the Chicago-Metro Division of Illinois-American.

18 Q. How will the water and sewer improvements be financed?

19 A. The improvements will be financed in accordance with Part 600 of the Illinois Administrative
20 Code.

21 Q. What rates will be charged by the Company for providing water service to the customers of
22 these areas?

23 A. The rates which are in effect for its Chicago-Metro Division from time to time as approved by
24 the Illinois Commerce Commission.

25 Q. What rates will be charged by the Company for providing sanitary sewer service to the
26 customers of these areas?

- 1 A. The rates which are in effect for its Chicago-Metro Division from time to time as approved
2 by the Illinois Commerce Commission.
- 3 Q. Does this conclude your direct testimony?
- 4 A. Yes, it does.